



Call for Papers

A TILEC Workshop on:
**Economic Governance and
Legitimacy**

May 19-20, 2022

Tilburg Law and Economics Center (TILEC)
Tilburg University, the Netherlands
www.tilburguniversity.edu/tilec/governance

SCIENTIFIC BACKGROUND AND GOAL OF THE WORKSHOP

Keynote Speakers

Gillian Hadfield
(U Toronto)

Sonja Oppen
(U Bocconi)

G rard Roland
(UC Berkeley)

Jared Rubin
(Chapman U)

Economic governance studies the structure and functioning of the legal and social institutions that support economic activity and economic transactions by protecting property rights, enforcing contracts, and taking collective action to provide physical and organizational infrastructure (Dixit, 2009). It is a broad concept that hosts both public-ordering institutions (governance by state authorities), private-ordering institutions (governance by formal or informal non-state actors), and hybrid forms. It tries to identify the optimal institutional setup, i.e., the optimal allocation of control rights over the design, adjudication, and enforcement of rules in any given socioeconomic environment.

A foundational question for any economic governance system concerns the legitimacy of its rules, where legitimacy is defined as the degree to which individual citizens believe they have a moral obligation to obey the ruler (Bisin, Rubin, Seror, and Verdier, 2021). Obviously, if (most) people believe the ruler (president, queen, chieftain, dictator, association director, influencer, etc.) has the right to rule, ruling becomes cheaper, quicker, and more efficient.

But what are the origins of legitimacy in political, legal, and social systems across the world? Why do some players have a lot of influence and are listened to by many followers, whereas others do not (even if their arguments or proposals may be better)? Throughout history, often religious beliefs and the endorsement of politicians or other rulers by religious authorities have played a key role. Today, the power to legitimize often rests with scientists, philanthropists, or even celebrities. Legitimacy also depends on due process, for instance, in democracies. Thereby, a certain action, behavior or rule is legitimate only when exercised in conformity with a constitution. But what about autocracies, where written law and daily practice often diverge or where the written law does not have the broad support of the population?



In more decentralized systems, such as internet governance or online and offline social networks, it is even more difficult to identify the sources of legitimacy. Here, technology (and control over technology) can play a role, for instance, if control over technology purports competence and people follow competent fellows. However, and notably in multi-level governance arrangements, technocratic legitimacy is not universally accepted as taking absolute precedence over or being capable of replacing transparency, openness, or inclusiveness of governance processes (Take, 2012). Also, by focusing only on performance and outcomes, output legitimacy is regarded by some as a necessary but insufficient condition for rendering a governance arrangement legitimate. For some, a more comprehensive framework to assess the normative quality of a given regime is warranted (Schmidt and Wood, 2019).

The *Tilburg Law and Economics Center* (TILEC) has organized five economic governance workshops, which focused on the role of competition (in 2010), organizations (in 2013), social preferences (in 2015), data-driven markets (in 2017), and the governance of big data and AI (in 2019), respectively. Now, we strive to stimulate the debate about the sources of legitimacy, an often-undiscussed cornerstone of socioeconomic systems. During a multidisciplinary and discussion-intensive two-day on-site workshop, we aim to learn from theoretical, empirical, experimental, and conceptual papers addressing the topic from various angles.

SPECIFIC TOPICS INCLUDE (BUT ARE NOT LIMITED TO)

- Legal work about the origins of legitimacy in democracies. When is a constitution widely accepted by voters? Are there measurable effects of legal compliance if a constitution or a specific law is deemed legitimate? What are the involved trade-offs?
- (How) Can competition on a market generate legitimacy? Is it acceptable if an innovator, whose work generates positive externalities for society (say, a vaccine developer), charges monopoly prices? Why (not)? Does the answer change if the monopoly prices prevent quick dissemination of the vaccine, which costs lives?
- What if the democratically elected leader of a country abuses or manipulates its political institutions for personal gain? How important are informal (cultural) restrictions on the powerful? What is the interaction with the perceived degree of legitimacy?
- Case studies of (the rise and fall of) religious legitimization of political power, both throughout history and today. Are there persistent differences across religions to convey political legitimacy onto rulers? Why? How are the mechanisms?
- What elements or traits of decentralized, multi-level or transnational regimes contribute to their legitimacy? Can the same characteristics that make a given (say environmental) NGO legitimate render another (say, pro-market) NGO illegitimate? Is it necessary (and if so, how) to remedy the fact that political input is far removed from the constitutional/administrative process?
- Sociological or psychological work on the microstructure of persuasion: which are the characteristics of influential actors? Is their influence restricted to a specific topic area in which they are active? Which lessons are empirically verifiable?
- How do autocratic governments legitimize their power, especially if they cannot rely on due process or on religious legitimization? Why do some autocrats succeed (e.g., 100 years of Chinese Communist Party) and others fail (e.g., Communist Party of the Soviet Union)?



PROGRAM COMMITTEE

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Stefan Trautmann (Heidelberg and Tilburg)

FORMAT

The workshop will take place at Tilburg University, the Netherlands, on May 19-20, 2022, and is planned for two full days. Regular presentations (30 minutes) will be followed by a discussant (10 minutes) and public discussion (20 minutes). For keynote speakers, the format will be 45 minutes presentation and 30 minutes of public discussion. There will be plenty of time for informal discussion and social interaction. Additionally, a poster session may be held during both lunch breaks if the quality of dedicated submitted papers suggests it.

FEES AND REIMBURSEMENT POLICY

There is no conference fee. TILEC will cover the accommodation and travel expenses of speakers and discussants in the regular sessions (not in the poster session).

IMPORTANT DATES

The **deadline for submissions is January 16, 2022**. Papers should be submitted in PDF format to TILECgovernance@uvt.nl. Long abstracts are accepted but full papers are preferred. Unless otherwise mentioned with the submission, it is understood that the **author submitting a paper is also the presenter and present throughout the workshop**.

Submitters **should indicate whether they want their paper to be considered for a poster session**. If accepted for a poster session, authors are responsible themselves for producing their poster. Authors of accepted papers will be **notified by February 25, 2022**. Speakers might be asked to discuss another paper. **Completed drafts** of accepted papers are due **by May 6, 2022**, and will be made available for download on the conference website. Upon authors' consent, final papers will be considered for publication, subject to further peer review, as a special issue of an academic journal, edited by the organizers. Authors willing to participate are invited to express their interest no later than May 31, 2022 and submit their final drafts by July 15, 2022.

ORGANIZERS

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